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# Utah Back to Work Program

## **PROGRAM DESCRIPTION**

The Department of Workforce Service (DWS) has developed an initiative to provide Utah employers with an opportunity to re-employ approximately 3,200 Utah workers. The Back-to-Work Program will target two groups: 1) 2,500 Unemployment Insurance (UI) claimants who made \$15 per hour or less at their last job, and are currently receiving Unemployment Insurance benefits; and, 2) 700 18-24 year old youth who are unemployed.

A wage subsidy of up to \$2,000 per eligible participant will be provided to the employer for each employee they hire and retain for three months. DWS proposes to fund the program primarily with American Reinvestment and Recovery Act (ARRA) TANF funds. This program will provide DWS with a unique opportunity to leverage our resources, stimulate job growth, and help ensure the UI trust fund remains solvent.

Participating employers may be able to combine this subsidy with the recently enacted federal "Hiring Incentives to Restore Employment" (HIRE) act, which provides employers with a temporary waiver of the 6.2% share of Social Security taxes (for each newly hired worker between February 3rd and December 31st of 2010), and up to a \$1,000 general business tax credit for each worker retained for one year. For more information on the HIRE act, go to <http://www.irs.gov> and search "hire act". Employers that hire from a targeted group of job seekers may also be eligible to receive the Work Opportunity Tax Credit (WOTC) on their federal tax return. For more information on WOTC, go to <http://jobs.utah.gov/employer/business/wotc.htm>

## **PROGRAM OBJECTIVE:**

Provide an incentive to Utah employers to hire targeted UI claimants and unemployed youth while also providing job seekers with an opportunity to become re-employed.

## **BENEFITS TO PARTICIPATING EMPLOYERS:**

- A \$500 payment during the first month of hire, per qualifying new hire.
- A \$1,500 payment at the completion of three months of employment, per qualifying new hire.
- Employers can choose how to utilize the subsidy.
- Employers may combine this subsidy with the Federal HIRE act incentives and WOTC.
- If a participating employer re-hires a previous eligible employee, there may be future UI Contribution Tax Rate benefits.
- Opportunity for business expansion.
- Opportunity to observe potential permanent employees.

### **EMPLOYERS ELIGIBILITY REQUIREMENTS:**

- Active employers, registered with DWS UI Contributions Division.
- Employers who are current with UI taxes and required reports.
- Non-governmental, private-sector and higher education (institutions) employers.
- Employers who will pay a minimum of \$9.00 per hour starting wage.
- Employers who guarantee full-time (35+ hours per week) employment.
- **Note:** Temporary help companies, professional employer organizations and government employers are not eligible to participate in the subsidy program.
- Employers may not displace or partially displace existing workers.

### **JOB SEEKER ELIGIBILITY REQUIREMENTS:**

- Current UI recipients with a minimum of 10 weeks remaining on their current claim.
- Claimants who earned less than \$7,800 in highest quarter for current base period.
- Claimants who meet citizenship or eligible non-citizen requirements and are contributing to the financial support of at least one minor dependent child.
- Youth age 18-24 who are currently unemployed.
- Previously employed workers may be re-hired provided they have not worked for 40 hours or more during the 60 day period prior to their date of hire.

### **NEXT STEPS TO PARTICIPATE:**

- Participating employers must sign an agreement with DWS before hiring.
- Participating employers must complete a DWS-approved invoice for payments.
- For additional information, please contact the nearest DWS Employment Center or call 1-888-920-9675. Employment Center locations are available at <http://jobs.utah.gov>
- Or log on to: <http://jobs.utah.gov/employer/resource/> Look under "Incentives".



## Department of Workforce Services

140 East 300 South Salt Lake City, Utah 84111 1-888-920-WORK [jobs.utah.gov](http://jobs.utah.gov)

Equal Opportunity Employer/Program.

Auxiliary aids and services are available upon request to individuals with disabilities. Call (801) 526-9240. Individuals with speech and/or hearing impairments may call the state relay by dialing 711. Spanish Relay Utah: 1-888-346-3162.